

July 27, 2004

Mr. Steve Ridenour North River Development 850 Ironwood Drive, Suite 302 Coeur d'Alene, ID 83814

RE:

Environmental Review Moen Subdivision Appleway Avenue Coeur d'Alene, Idaho

Dear Mr. Ridenour:

ALLWEST Testing & Engineering has reviewed the geotechnical engineering and environmental assessment information for the Moen subdivision in Coeur d'Alene. We understand you are in the process of formalizing development plans and financing for the proposed development of the property. The purpose of this letter is to summarize the history and conditions on the property.

The subject property is referenced as Lots 2, 3 and 4 of the Moen subdivision located south of the new alignment of Appleway Avenue and east of Ramsey Road in Coeur d'Alene, Idaho. The site topography is relatively level. Scattered weeds are present on the property. A retail marble and granite facility is currently located on Lot 4.

The property has previously been used as a borrow pit for sand and gravel. Aerial photographs from 1962, 1965, 1970, 1978 and 1981 show various stages of pit excavation and backfill. An aerial photograph from 1994 shows the pit area as entirely backfilled to the existing grade.

In 2003, ALLWEST completed a subsurface exploration and sampling program for Lots 2 and 3 of the Moen subdivision. Five exploratory soil test borings were drilled within the proposed development area. The test borings were advanced by a track-mounted, hollow-stem auger drill rig to depths ranging from 25 to 41 feet below the existing ground surface. Fill and debris were encountered at the surface in each of the test borings. The fill was described as medium to dark brown silty sand with organics and contained household debris. The relative density of the fill was loose and the relative moisture content was damp to wet. The thickness of the fill and debris ranged from 20 to 38 feet in the borings.

Native alluvium was encountered below the fill and in the borings. The native alluvium consisted of silty sand. The silty sand was medium brown to tan-gray, loose to medium dense and humid to damp. The exploratory soil test borings were terminated in native sand soils at 21 to 41 feet below the existing ground surface. Ground water was not encountered in the exploratory soil test borings at the time of our field evaluation.

In the early 1990's, while working for another engineering firm, I completed a subsurface exploration and sampling program for Lot 4 of the Moen subdivision. At that time the property was occupied by a heavy equipment dealer. A number of soil test borings were drilled on Lot 4. The borings encountered sand fill and municipal waste overlying native sand soils. Samples were obtained from the native soil underlying the fill and waste. The samples were tested for hazardous materials. The test results indicated slightly elevated levels of two metals. The presence of metals may be a naturally occurring condition or the result of the municipal waste. It is unlikely that it will be necessary to remove and replace the underlying native soils due to the presence of metals.

The borrow pit was backfilled with sand and household debris. Analytical testing was performed on three samples of the native soil underlying the backfill. Barium and two VOC constituents were detected in the samples. Based on the fact that the household debris is present, there is the potential for contamination to be present in either the household debris or the native soil underlying the backfill. No realistic number of borings or samplings would be able to definitively assess the presence of such contamination. We understand the site development plans will require the excavation of the fill sand and debris. The municipal debris should be removed from the site. There is the potential for limited quantities of hazardous materials to be present in the municipal waste. Contingency costs should be included to remove and remediate potential contamination within the borrow pit area at the time of construction.

If you have any questions, or need additional information, please give us a call.

Sincerely,

ALLWEST Testing & Engineering, LLC

Chris C. Beck, P.E.

Principal Geotechnical Engineer

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